

RECEIVED

2016 MAY -6 PM 4:27

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION

**COSCON /CSCL/UASC/YMUK /CMA CGM /PIL**  
**VESSEL SHARING AND SLOT EXCHANGE AGREEMENT -**  
**Asia and US /Canada West Coast Services**

FMC Agreement No.: 012233-0034

Original Effective Date: November 29, 2013

Expiration Date: In accordance with Article 9 hereof

**COSCON/~~CSCL~~/~~UASC~~/~~YMUK~~ /CMA CGM /PIL VESSEL SHARING AND SLOT  
EXCHANGE AGREEMENT**

**Asia and US /~~Canada~~ West Coast Services**

~~WHEREAS, CSCL (as defined below), UASC (as defined below) and YMUK (as defined below) have entered into this Agreement to establish a weekly liner shipping service in the Trade (as defined below) named the AAS2/AWS1 service;~~

~~WHEREAS, CSCL, UASC and CMA CGM have entered into that certain Vessel Sharing and Slot Exchange Agreement filed with the U.S. Federal Maritime Commission ("FMC") and having FMC Agreement No. 012299, pursuant to which they have established a weekly liner shipping pendulum service named the PNW Loop 5/USEC/US Gulf Loop 1 service, a portion of which (the PNW Loop 5 service) is operated in the Trade;~~

~~WHEREAS, PIL (as defined below) independently operates various liner shipping services under its own trade name in various trades throughout the world;~~

WHEREAS, the Parties wish to (i) cooperate on the weekly service named AAS2/AWS1/PSW Loop 3 / ACS service established pursuant to this Agreement, and to independently offer the services to their respective customers under their individual trade names; and (ii) to exchange slots on the vessels operating in the AAS2/AWS1/

~~PSW Loop 3 service with slots controlled by the Parties on vessels operating in the PNW~~

~~Loop 5 service and the other services described in Article 5.5 below;~~

~~WHEREAS, on or about March 1, 2016, CSCL will transfer its liner shipping business to COSCON (as defined below) and, in connection therewith, the parties have agreed that (i) at all times prior to such transfer, CSCL shall remain a party to this Agreement, and (ii) upon such transfer, CSCL will be replaced by COSCON as a party to this Agreement; and~~

~~WHEREAS, in connection with the transfer by CSCL of its liner shipping business to COSCON, at the same time that CSCL is replaced by COSCON as a party to this Agreement, CSCL will also be replaced by COSCON as a party to FMC Agreement No. 012299.~~

THEREFORE, in consideration of the premises, and the mutual covenants,  
terms and conditions set forth herein, the Parties hereto agree as follows:

ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this Agreement is the ~~COSCON/CSCL/UASC/YMUK/CMA~~  
CGM / PIL VESSEL SHARING AND ~~SLOT EXCHANGE~~ AGREEMENT - Asia and  
US/~~Canada~~ West Coast Services (hereinafter referred to as the "Agreement").

ARTICLE 2: PARTIES TO THE AGREEMENT

The parties to this Agreement (each a "Party," and collectively, the "Parties") are:

- (a) ~~China Shipping Container Lines Co., Ltd.~~  
~~Room A-538, International Trade Center China (Shanghai)~~

~~No. 188 Ye Sheng Road, Pilot Free Trade Zone,  
Shanghai 201306, P. R. China~~

and

~~China Shipping Container Lines (Hong Kong) Co., Ltd.  
33/F, Tower 2, Kowloon Commerce Centre, 51 Kwai Cheong Road, New Territories  
Hong Kong~~

~~China Shipping Container Lines Co., Ltd. and China Shipping Container Lines  
(Hong Kong) Co., Ltd. shall be treated as a single party hereunder and shall be  
referred to collectively as "CSCL".~~

~~China Shipping Container Lines Co., Ltd. and China Shipping Container Lines  
(Hong Kong) Co., Ltd. shall be jointly and severally responsible for the performance  
of each of their obligations under this Agreement and for any and all damages  
arising out of or resulting from any breach of this Agreement by either of them.~~

~~(b)~~(a) UNITED ARAB SHIPPING COMPANY (S.A.G.)

PO Box3636,

Safat 13037 Kuwait

Referred to as "UASC".

~~(c)~~—YANG MING (UK), LTD.

~~2<sup>nd</sup> Floor, 210 South Street,~~

~~Romford, Essex, RM1 1TG, U.K.~~

~~Referred to as "YMUK".~~

(d)(b) CMA CGM S.A.

4, Quai d'Arenc

13235 Marseille Cedex 02, France

Referred to as "CMA CGM".

(e)(c) Pacific International Lines (Pte) Ltd.

140 Cecil Street #03-00,

PIL Building

Singapore 069540

Referred to as "PIL".

~~(f) COSCO CONTAINER LINES COMPANY, LIMITED~~

~~378, Da Ming Road (East)~~

~~Shanghai, The People's Republic of China~~

——— Referred to as “COSCON”

~~On or about March 1, 2016, CSCL will transfer its liner shipping business to COSCON (the actual date of such transfer, the “Transfer Date”). At all times prior to the Transfer Date, CSCL shall remain a party to this Agreement with all the rights and obligations imposed on CSCL by this Agreement. Effective on the Transfer Date, (i) CSCL shall be deemed withdrawn as a party to this Agreement, and (ii) all references in this Agreement to CSCL shall be deemed to be references to COSCON.~~

ARTICLE 3: UNDERTAKING AND PURPOSE

(a) The purpose of this Agreement is to develop and improve the liner shipping services independently operated by COSCON, CSCL, UASC, YMUK, CMA CGM and PIL. The Parties will accomplish this purpose by (i) cooperating on a weekly liner shipping service named AAS2/AWS1/PSW Loop 3 / ACS Service (the “Loop 3 Service”) utilizing vessels contributed, and independently operated, by each of the Parties hereto, ~~and (ii) exchanging slots controlled by the Parties on vessels operating in the Loop 3 Service established pursuant to this Agreement, the PNW Loop 5 service established pursuant to FMC Agreement No. 012299, and the other services described in Article 5.5 below.~~

(b) Although the Parties may discuss and cooperate to determine, the most appropriate vessel size and characteristics, sailing schedule and port rotation, and frequency of port calls for the Loop 3 Service, they shall each independently offer the Loop 3 Service to their respective customers under their individual trade names, and shall not otherwise share in the revenues or expenses associated with the Loop 3 Service, and shall not exchange or otherwise disclose information regarding such revenues or expenses.

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement (hereafter, the "Trade") shall cover the trades between (i) ports on the West Coast of the United States ~~and Canada, and U.S. and Canadian inland and coastal points served via such ports on the one hand~~, and (ii) ports in China, Taiwan, and South Korea and inland and coastal points served via such ports on the other hand. There shall be no geographic restrictions on the origin or destination of cargo carried on vessels employed in the Loop 3 Service established pursuant to this Agreement. In other words, such cargo may originate from or be destined for ports or points outside the geographic scope of this Agreement.

The inclusion of non-U.S. trades in this Agreement shall not bring such non-U.S. trades under the jurisdiction of the U.S. Federal Maritime Commission or entitle the Parties hereto to immunity from the U.S. antitrust laws with respect to such non-U.S. trades.

ARTICLE 5: AGREEMENT AUTHORITY

5.1 The AAS2/AWS1/PSW Loop 3 / ACS Service

The Parties shall cooperate on the Loop 3 Service, a weekly liner shipping service in the Trade. The Loop 3 Service shall deploy six (6) vessels on 42-day round trip voyages, calling in principle on a fixed day and weekly basis in such ports within the Trade as the Parties may mutually agree from time to time. The initial port rotation shall be:



Shanghai – Ningbo – Pusan– Los Angeles – Oakland –\*Vostochny – Shanghai

\*Vostochny is only for bunkering.

Subject to prior mutual agreement in writing, the Parties may change this port rotation and / or the name of the Loop 3 Service as they may deem necessary or desirable from time to time. Changes to the port rotation and service names shall not require an amendment to this Agreement.

In addition, the Parties may, from time to time, consult and mutually agree upon various other aspects of the Loop 3 Service, including sailing schedules, service frequency, ports (within the Trade) to be served, transit times, adjustment of the speed of vessels (including slow steaming of vessels), and all other matters related to the scheduling and coordination of vessels.

## 5.2 Vessels Provision

The Parties will initially deploy six (6) vessels in the Loop 3 Service, three (3) of which shall be contributed by UASC, one (1) of which shall be contributed by CMA CGM, ~~one (1) of which shall be contributed by YMUK~~, and ~~one (1)~~ two (2) of which shall be provided by PIL.

In addition to the above, the Parties may agree to structural slot exchanges involving slots controlled by the Parties on Vessels operated in the Loop 3 Service, as well as vessels operated in ~~the following~~ other services:

~~PSW2/PSW Loop 2: YMUK currently operates six (6) vessels in this service~~

~~AAC/PSW Loop 4: CSCL currently operates six (6) vessels in this service~~

~~The PNW Loop 5 segment of the PNW Loop 5/USEC/US Gulf Loop 1 pendulum service:  
Only the PNW Loop 5 segment of the PNW Loop 5/USEC/US Gulf Loop 1 pendulum service established pursuant to FMC Agreement 012299 is covered by this Agreement.  
Seventeen (17) vessels are currently operated in this service. CSCL operates six (6) of these vessels, UASC operates two (2) of these vessels, and CMA CGM operates nine (9) of these vessels.~~

~~As of the effective date of the third amendment to this Agreement, the slot exchange arrangements are as follows:~~

~~(a) CSCL / YMUK slot exchange:~~

~~CSCL shall provide 900 slots (TEU) on AAC/PSW Loop 4 to YMUK, and  
YMUK shall provide 900 slots (TEU) on PSW 2/PWS Loop 2 to CSCL.~~

~~(b) UASC / YMUK slot exchange:~~

~~UASC shall provide 200 slots (TEU) on AAC/PSW Loop 4 to YMUK, and~~

[INTENTIONALLY LEFT BLANK]

~~YMUK shall provide 200 slots (TEU) on PSW 2/PWS Loop 2 to UASC.~~

~~(c) CSCL/PIL slot:~~

~~CSCL shall provide 300 slots (TEU) on AAC/PSW Loop 4 to PIL, and~~

~~PIL shall provide 300 slots (TEU) on AAS2/PSW Loop 3 to CSCL.~~

~~(d) CSCL/PIL slot exchange:~~

~~CSCL shall provide 500 slots (TEU) on PNW Loop 5 to PIL, and~~

~~PIL shall provide 500 slots (TEU) on AAS2/PSW Loop 3 to CSCL.~~

~~Any 40' HC shall be counted as 2.00 TEUs.~~

~~Any 45' HC shall be counted as 2.5 TEUs.~~

~~(e) CSCL / YMUK slot exchange:~~

~~CSCL shall provide 100 slots (TEU) on AAC/PSW Loop 4 to YMUK, and~~

~~YMUK shall provide 100 slots (TEU) on Loop 3 to CSCL.~~

~~(f) CMA CGM / YMUK slot exchange:~~

~~CMA CGM shall provide 100 slots (TEU) on AAC/PSW Loop 4 to YMUK, and~~

~~YMUK shall provide 100 slots (TEU) on Loop 3 to CMA CGM.~~

ARTICLE 6: USE OF SLOTS

6.1 Slot Sales to Third Parties

No Party may sub-charter space allocated under this Agreement to any third party without the written approval of the other Parties, which agreement shall not be unreasonably withheld and the answer should not be unduly delayed.

The Parties agree they may sub-charter space to any third party on services on which they are the sole vessel provider without the prior consent of the other Parties.

Notwithstanding the afore-mentioned,

- (i) the Parties may, without prior written consent of the other Parties, sub-charter space to their affiliates (being a company that controls, is controlled by, or is under common control with such Party) , from time to time.
- ~~(ii) Slot releases to third parties which exist at the time of entering into this Agreement are accepted as an exception, provided such third parties are identified to other Parties prior to entering into this Agreement. The Parties agree that CSCL may release slots to COSCON and EVERGREEN.~~
- (iii) UASC may sub-charter space to HSDG on any service operated under this Agreement, without the prior consent of the other Parties.

All agreed third parties (including fully owned subsidiaries or affiliates) sub-chartering slots from the Parties shall be duly identified with proper operator codes on all loading lists and bayplans of all Vessels in ports.

COSCON/CSCL/UASC/~~YMUK~~/CMA CGM/PIL VESSEL SHARING AND ~~SLOT EXCHANGE~~  
AGREEMENT  
- Asia and US/~~Canada~~ West Coast Services  
FMC AGREEMENT No.: 012233-0034  
Original Page Number: 17A

This amendment 012233-004 shall be effective as from week 21 of 2016 with the sailing of the CMA CGM Nabucco 105E/106W eta Shanghai 25<sup>th</sup> May 2016 or the date it becomes effective under the Shipping Act of 1984, as amended, whichever is later.

Notwithstanding the foregoing, and unless otherwise mutually agreed, this Agreement will nevertheless remain in force until the completion of all of the roundtrip voyages included in the current cycles of the Loop 3 Service which have already started at the date of effect of such notice of termination, meaning that all Vessels of the concerned cycles departing from the first port of loading in Asia after the date of termination will remain subject to the terms of this Agreement until such Vessels arrive back in Asia and all cargo and containers are discharged at the last discharge port in the Far East.

~~Notwithstanding the foregoing, and unless otherwise mutually agreed, this Agreement will nevertheless remain in force until the completion of all the roundtrip voyages of the services involving solely a slot exchange under this Agreement (in other words, PSW 2/PSW Loop 2, AAC/PSW Loop 4 and PNW Loop 5), which have already started from the first port of loading in Asia, prior to the date of effect of such notice of termination, meaning that all vessels arrive back in Asia and all cargo and containers discharged up to last port in Far East.~~

Notwithstanding the above, this Agreement:

- (a) may be terminated at any time by a non-breaching Party in case of breach by any Party of any fundamental term of this Agreement, which fundamental terms may be agreed upon in writing from time to time by the Parties;
- (b) may be terminated at any time upon mutual written agreement of the Parties; and

at the following addresses or telecopier numbers (or to such other addresses or telecopier number as a Party may specify by notice given to the other Parties pursuant to this provision):

~~To CSCL:~~

~~China Shipping Container Lines Co., Ltd.~~  
~~Strategy Development Department~~  
~~Floor 20 No. 628 Min Sheng Road, Pu Dong New Area~~  
~~Shanghai, 200135, P.R. China~~  
~~Attn: Mr. Yi YuMing~~  
~~Phone: +86 21 65967184~~  
~~Fax : +86 21 65966845~~  
~~E-Mail : yyming@enshipping.com~~

To UASC:

United Arab Shipping Company (S.A.G.)  
PO Box 55586  
AL Garhoud Road, Deira  
Dubai - U.A.E.  
Attn: Mr. Tom Stage Petersen  
Phone : +971 4 6022501  
Fax : +971 4 2959583  
E-Mail : [tom.stage.petersen@uasc.net](mailto:tom.stage.petersen@uasc.net)

To YMUK:

~~Yang Ming (UK), Ltd.~~  
~~271 Ming De 1<sup>st</sup> Road, Cidu District, Keelung 20646, Taiwan(R.O.C)~~  
~~Attention: Mr. T.S. Chia~~  
~~Phone / Fax No: T: 886-2-24550427 / F: 886-2-24550777~~  
~~E-Mail: TSCHIA@yangming.com~~  
~~Group E-Mail: plea@yangming.com~~

To CMA CGM:

CMA CGM S.A.  
4, Quai d'Arenc  
13235 Marseille Cedex 02  
France  
Attn: Mr. Rodolphe Saadé / Mr. Olivier Nivoix  
E-Mail: ho.rjsaade@cma-cgm.com / ho.onivoix@cma-cgm.com

To PIL:

140 Cecil Street #03-00,  
PIL Building  
Singapore 069540  
Attn: ~~Mr. Teo Yew Ping~~ Mrs. Ng Hui Khoon  
Phone: +65 6429 3390  
Fax: ~~+65 6222 2389~~ +65 6221 3480  
E-Mail: yewping.teo@sgp.pilship.com huikhooon.ng@sgp.pilship.com;  
planning@sgp.pilship.com



To COSCON:

~~—— COSCO Container Lines Company, Limited~~  
~~—— 378, Da Ming Road (East), Shanghai, People's Republic of China~~  
~~—— Attn: Irene Cheng~~  
~~—— Phone : +86 21 3512 4888 2976~~  
~~—— Fax : +86 21 6596 3985~~  
~~—— E Mail : chengjin@coscon.com~~

ARTICLE 17: NON-ASSIGNMENT OR CHANGE OF COMPANY OWNERSHIP

No Party shall assign or transfer this Agreement or all or any part of its rights or obligations hereunder to any person, firm or corporation without the prior written consent of the other Parties hereto.

In case the ownership or shareholding of a Party is modified in a material way altering the relevant Party's financial control or ownership, each other Party, if it judges in good faith that such modification is likely to jeopardize the Agreement's implementation and performance, shall be entitled to terminate this Agreement on six (6) months prior written notice, which notice must be given within six (6) months of such Party becoming aware of the change in ownership or control or the existence of an agreement to effect such change.

ARTICLE 18: ENFORCEABILITY

If any term, covenant, condition or proviso contained in this Agreement or the application thereto to any person or circumstance shall be held to be invalid, illegal, or

ARTICLE 22: SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to the Agreement to be executed by their duly authorized representatives as of the dates set forth below.

~~CHINA SHIPPING CONTAINER~~ \_\_\_\_\_ ~~CHINA SHIPPING CONTAINER LINES~~  
~~LINES CO., LTD.~~ \_\_\_\_\_ ~~(HONK KONG) CO., LTD.~~

By: \_\_\_\_\_ By: \_\_\_\_\_  
Name: \_\_\_\_\_ Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_  
Date: \_\_\_\_\_ Date: \_\_\_\_\_

UNITED ARAB SHIPPING COMPANY (S.A.G.)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

~~YANG MING (UK), LTD.~~ \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

COSCON/CSCL/UASC/YMUK/CMA CGM/PIL VESSEL SHARING AND SLOT EXCHANGE  
AGREEMENT  
- Asia and US/~~Canada~~ West Coast Services  
FMC AGREEMENT No.: 012233-0034  
Original Revised Page Number: 26

CMA CGM S.A.

~~CMA CGM S.A.~~

By: \_\_\_\_\_ By: \_\_\_\_\_

Name: Name:

Title: Title:

Date: Date:

PACIFIC INTERNATIONAL LINES (PTE) LTD.

By: \_\_\_\_\_

Name:

Title:

Date:

~~COSCO CONTAINER LINES COMPANY, LIMITED~~

By: \_\_\_\_\_

Name:

Title:

Date: